



Nova Scotia

ANNUAL REPORT

*for the fiscal year
ending March 31, 1987*

Department
of Housing

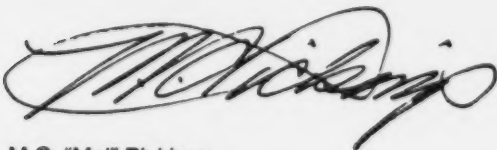
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To His Honour
The Honourable Lloyd R. Crouse, P.C.
Lieutenant-Governor of Nova Scotia

May It Please Your Honour:

I have the honour to submit the Annual Report of the Nova Scotia
Department of Housing for the fiscal year April 1, 1986 to March 31, 1987.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'M. Pickings', with a large, stylized flourish at the end.

M.C. "Mel" Pickings
Minister of Housing

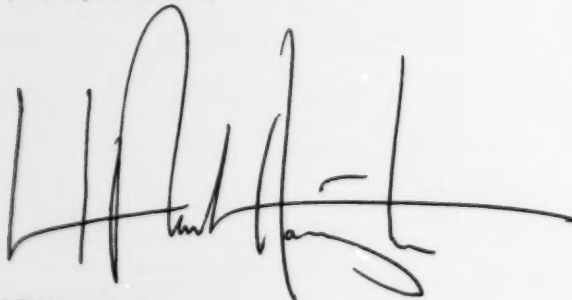


To the Honourable M.C. "Mel" Pickings
Minister of Housing

Sir:

I have the privilege on behalf of the Department of Housing to present
my report on the work of the Department for the fiscal year 1986-1987.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'M.H.F. Harrington', with a long horizontal stroke extending to the right.

M.H.F. Harrington
Chairman,
Nova Scotia Housing Development Board

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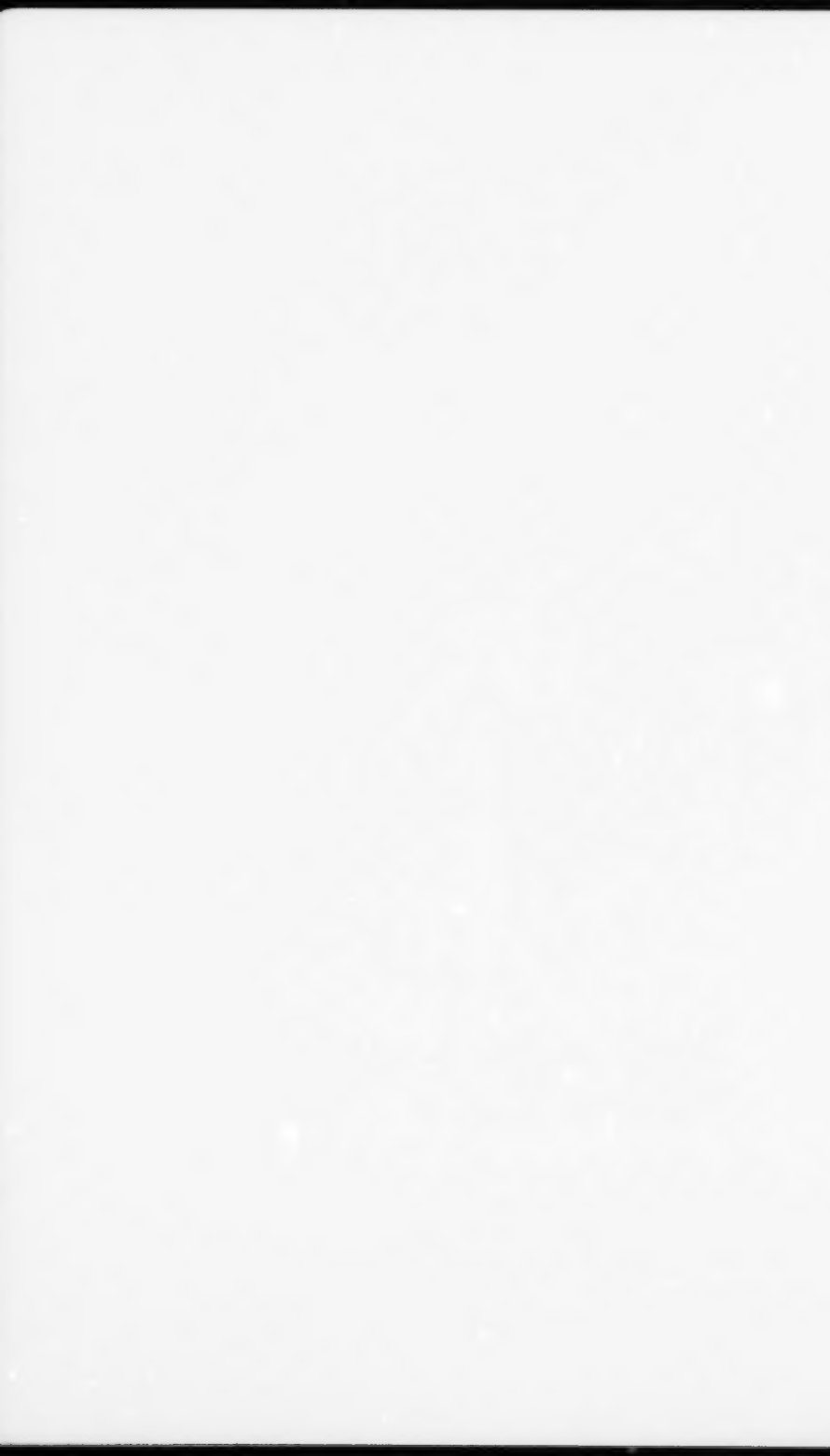
HOUSING DEVELOPMENT BOARD

Members

M.H.F. Harrington, Chairman
R.E. Geraghty, Deputy Minister
M.E. Stanbury
J.B. Sawyer
C.R. Gallant
J.V. Paul

DIRECTORS

R.E. Boyd, Director of Finance
E.A. Clarke, Director of Planning Services
D.W. Kerr, Director of Program and Property Management
M.D. MacGray, Director of Administration



INTRODUCTION

Under the Legislative Authority of the Housing Act and the Nova Scotia Housing Development Corporation Act the Department of Housing continued to develop and implement programs and special initiatives to achieve its organizational mission. This mission states the department shall assist and foster an environment in which the private sector, the communities and the government may respond to the needs of Nova Scotians for adequate and affordable housing with special emphasis placed on low income people, the aged in need, and other disadvantaged people.

The fiscal year 1986-1987 saw the department introduce a housing policy initiative entitled *Housing for Nova Scotians: A Development Strategy Into The Nineties*. Since the year ended on a strong note for housing starts, (the highest level since the mid-70's) the housing strategy served to build on the strength of the private residential housing sector and provided support to those with the greatest housing needs. Under the strategy, ten new programs and one special demonstration program were successfully introduced. These were developed and planned to provide a comprehensive range of housing program options, special initiatives, and innovative demonstration projects for all Nova Scotians.

Building on the cornerstone portfolio of joint federal/provincial programs covered under the Canada-Nova Scotia Global Housing Agreement the Province of Nova Scotia introduced several major new programs. These were designed to deliver housing to individuals with special needs, rental accommodation requirements and provide home ownership programs.

In April 1986, the Metropolitan Halifax-Dartmouth Demonstration Housing Program was announced as a special new housing initiative for Nova Scotia.

As an integral part of the Housing for Nova Scotians Strategy this unique proposal provided an opportunity for the three levels of government, (federal, provincial and municipal) to respond to the housing needs of the homeless and other disadvantaged in the Halifax-Dartmouth area.

This program successfully delivered a variety of small, community-based projects and served a multitude of housing needs. Each participat-

ing municipality was provided with the ability to develop and implement individual approaches in deciding the type of housing mix required and the management form to be used.

In recognition of 1987 as the International Year of Shelter for the Homeless, the Special Metro Demonstration Housing Program utilized an innovative approach in financing to provide housing types for low income individuals, families and special needs groups without traditional long term, on-going subsidies.

These special initiatives were built upon the foundation of an already existing program portfolio targetted to the housing needs of Nova Scotians. This is part of the department's commitment to review and modify its programs to provide maximum assistance to individuals within budget guidelines, while endeavouring to realize the maximum social and environmental benefits for program participants.

The significant increase in total provincial housing starts from approximately 7000 the previous year to more than 7200 in 1986/87 required the department to continue to make serviced and unserviced residential lots available throughout the province. Servicing work continued in major metropolitan Halifax-Dartmouth residential sub-division developments located in Sackville Lakes, Millwood Estates, Kidston Estates, Forest Hills and in the Sydney Land Assembly of Baille Ard.

Continued cooperation with municipal units throughout the province and the exchange of skills have allowed the department to work with communities in developing fully integrated senior citizens' residences within existing neighbourhoods. During the year, 13 communities throughout Nova Scotia benefitted from this exchange and provided 189 units of housing for seniors on a rent-geared-to-income basis.

The second annual housing design competition was successfully held. The competition is open to all students enrolled in the School of Architecture at the Technical University of Nova Scotia and is co-sponsored by the Nova Scotia Department of Housing, Canada Mortgage and Housing Corporation and the Nova Scotia Home Builders Association. All share a common concern for the quality of affordable housing in the province and a commitment to the development of new and innovative housing design concepts.

In March, the department once again presented "Housing Education Week". During this event, staff members concentrated on informing the

public of various housing programs and services available to all Nova Scotians through the department. Housing is an integral part of the provincial economy. Since homes are one of the largest single investments most Nova Scotians will ever make it is a principal objective of Housing Education Week to ensure that all Nova Scotians (both home buyers and home builders) are provided with the opportunity to know about all housing program options provided by the department.

Each year Housing Education Week affords the opportunity for the department to liaise with both the public and the residential construction industry to ensure that this sector of the provincial economy remains productive and beneficial to all concerned.

In conjunction with the department of development, the department provided employment opportunities for more than 260 people through the Provincial Employment Program. Most tasks undertaken were devoted to assisting senior citizens, fixed-income families and disabled Nova Scotians to maintain their properties and remain in their own homes.

Another successful annual Nova Scotia Home Awards competition resulted in the greatest number of entries having been submitted to date. This program recognizes and acknowledges excellence in housing design, innovation and renovation/restoration. Designs were submitted by both housing professionals and lay people and were evaluated on a number of criteria including: originality, use of indigenous Nova Scotia materials, energy conservation, cost and financial packaging.

ORGANIZATION

The Department of Housing is organized into four divisions: Administration; Program and Property Management; Planning Services; and, Finance.

Administration Division

The Administration Division provides all support services for the department. These activities relate to four functional areas: Administration Services, Staff Services, Legal Services and Records Management.

The Administrative Services Section ensures that the department develops a co-ordinated approach to all initiatives undertaken that have implications for the entire department. These relate to office facility and space management, office automation, public relations management, promotion and information services, administrative staff services support for the Housing Development Board, policy and procedure development and purchasing.

Legal Services ensures that a comprehensive range of systems and services is developed and implemented to provide legal advice and assistance to the Deputy Minister and senior management. All services are fully co-ordinated with the Department of Attorney General through resident legal counsel.

The Records Management Section ensures that records are handled in a planned system through a centralized records entry and retrieval system. This includes the care and custody of all documents and records, circulation control, final disposition of records and co-ordination of micrographic services. This section is responsible for courier services, supplies and inventory control measures.

The Staff Services Section provides assistance and advice to senior management in achieving the most effective and efficient use of allocated Human Resources. Specific activities include the provision of comprehensive staff and personnel administration records, management development initiatives, short-term employment opportunities and a full range of personnel policy and procedure statements.

Program and Property Management Division

The Program and Property Management Division comprises head office

staff in Dartmouth and regional office staff in Sydney, New Glasgow, Bedford and Middleton. There are district offices in Amherst and Liverpool, with a field office in Port Hawkesbury. There are also sales offices located in the Baille Ard Subdivision in Sydney and the Millwood Village Subdivision in Middle Sackville.

The Division liaises with other provincial departments, agencies and federal departments as it relates to policy matters regarding housing.

This Division is divided into two sections: property administration and program administration.

The Property Management Section is responsible for managing the departmental real estate portfolio, including all aspects of land administration from acquisition through to disposal. It provides the lead role in managing the province's housing authorities by setting policy and procedure guidelines and overseeing their operation.

The Program Management Section is responsible for the delivery of all Department of Housing programs in the province. The Section formulates policies and procedures relating to the programs and their delivery. These are completed in consultation with other divisions and with the public.

This section also acts as a housing information resource in the community. To achieve this, policies and procedures relating to program delivery are formulated in consultation with other divisions of the Department and the public.

Together with Canada Mortgage and Housing Corporation, and the department's planning division Program and Property Management implements federal/provincial cost-shared programs including: family and seniors public non-profit, special care, lease purchase and rent supplement programs.

In addition Program and Property Management is responsible for delivering the housing programs financed exclusively by the province, including: the Self-Help, Senior Citizens Assistance, Provincial Housing Emergency Repair, Small Loans Assistance, Land Sales, Access-A-Home, Bridge Financing, Family Benefits Housing, Student Housing, Parent Apartment, Apartment Creations, Residential Intensification, Second Mortgage and Shell Housing Programs.

Planning Services Division

The Planning Services Division provides the professional and technical services required by the Department in the fields of planning (strategic and land use) architectural and engineering.

The services include the following:

- *long range (strategic) planning* incorporating statistical analysis, research, preparation of housing studies and reports, housing policy development and capital program preparation.
- *community planning* incorporating master planning subdivision design and survey work, processing of municipal approvals and transfer of servicing systems.
- *architectural services* incorporating site selection, conceptual design, tender documents, job monitoring, hiring and overseeing outside design consultants.
- *engineering services* incorporating design, construction drawings, tender documents and contract preparations, establishment of engineering standards and advising and serving housing authorities on technical issues.

Finance Division

The Finance Division is responsible for all financial and accounting matters within the Department of Housing and is responsible for the development and monitoring of standard accounting and reporting systems relating to 43 housing authorities throughout the province. The Division's responsibilities for accounting systems include: capital expenditures detailed by cost element, recoveries, subsidies, mortgage accounting, Order-in Council commitment accounting, cost-sharing and cost accounting.

The Division operates on an approval system for all capital operating and subsidy expenditures, inputs payment data to the Department of Finance computer and disburses the cheques to creditors. Staff members receive and deposit all mortgage payments, recoveries of billings made to CMHC and municipalities on cost-shared programs, and miscellaneous payments. They assume responsibility for the administration of

a mortgage and loan portfolio in excess of \$100 million, which includes payment taxes and making certain that the security is insured against fire.

The Division also co-ordinates the preparation of annual operating, subsidy and capital cash flow budgets for the Department and monitors actual performance against these budgets during the year. The staff is also responsible for all credit and collection policy and head office collection activity, including the initiation of foreclosure and judgement action.

Under the Nova Scotia Housing Development Corporation the Finance Division maintains all financial records for the Corporation relative to its raising of private sector financing for programs.

Housing Development Board

The Department of Housing operates with a body known as the Housing Development Board. Comprised of members appointed by the Governor-in-Council and including the Deputy Minister, the Board reviews loan and grant submissions. It follows established program, policy and procedural guidelines and may recommend approval, rejection or deferral. The Board also may carry out other duties as the Minister of Housing prescribes.

NOVA SCOTIA DEPARTMENT OF HOUSING OFFICES

Head Office
Royal Bank Building
46 Portland Street
P.O. Box 815
Dartmouth, N.S.
B2Y 3Z3
Telephone 424-4483

Cape Breton Regional Office, serves

Provincial Building
Prince Street
P.O. Box 1267
Sydney, N.S.
B1P 6J9

- Cape Breton County
- Inverness County
- Richmond County
- Victoria County

Telephone 563-2120 or toll free 1-563-2135

Port Hawkesbury Field Office, serves

Provincial Building
P.O. Box 149
Port Hawkesbury, N.S.
B0E 2V0

- Port Hood
- Louisdale
- River Denys

Telephone 625-0650

Baile Ard Sales Office, serves

661 Cottage Road
Sydney, N.S.
B1P 6W6

- Baile Ard Land Assembly

Telephone 563-2136

Central Regional Office, serves

Sobey's Building
Archimedes Street
P.O. Box 481
New Glasgow, N.S.
B2H 5E5

- Antigonish County
- Colchester County
- Cumberland County
- Guysborough County
- Pictou County

Telephone 755-5065 or toll free 1-752-0101

Amherst District Office, serves

144 East Victoria Street
P.O. Box 486
Amherst, N.S.
B4H 4A1

- Cumberland County

Telephone 667-1161

Metro Regional Office, serves

Bedford Towers
P.O. Box 280
Bedford, N.S.
B4A 2X2

- Halifax County
- Hants County

Telephone 835-9995 or toll free 1-835-7438/7439

Millwood Village Sales Office, serves

294 Beaverbank Cross Road
Middle Sackville, N.S.
B4E 2E2

- Millwood Village
Land Assembly and
Sackville Lakes
Land Assembly

Telephone 864-3232

Western Regional Office, serves

166 Commercial Street
P.O. Box 1000
Middleton, N.S.
B0S 1P0

- Annapolis County
- Digby County
- Kings County
- Lunenburg County
- Shelburne County
- Queens County
- Yarmouth County

Telephone 825-3481 or toll free 1-825-3483

Liverpool District Office, serves

267 Main Street
P.O. Box 1660
Liverpool, N.S.
B0T 1K0

- Lunenburg County
- Shelburne County
- Queens County

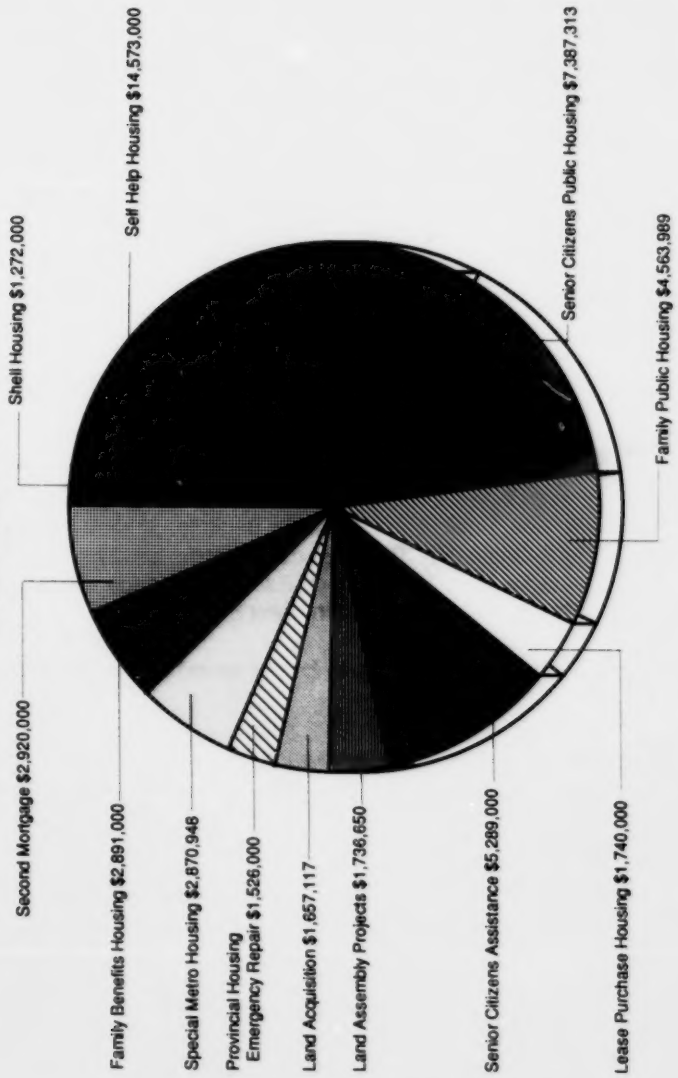
Telephone 354-2116 or toll free 1-354-2294

**1986-1987
PROGRAM SUMMARY**

	Number of Approved Applicants (Units)	Funds Approved
Senior Citizens Public Housing	189	\$ 7,387,313
Family Unit Public Housing	87	4,563,989
Rent Supplement Housing	133	- (1)
Special Purpose Housing	36	118,083
Bridge Financing	50	300,000
Lease Purchase Housing	30	1,740,000
Special Metro Housing	250	2,870,948
Self-Help Housing	288	14,573,000
Family Benefits Housing	79	2,891,000
Student Housing	72	485,000(2)
Parent Apartment	8	71,000
Apartment Creation	21	259,000
Residential Intensification	36	72,000
Second Mortgage	190	2,920,000
Small Starter Home	36	- (3)
Shell Housing	27	1,272,000
Emergency Repair	661	1,526,000
Access-A-Home	95	97,000
Small Loans Assistance	215	798,000
Senior Citizens Assistance	1978	5,289,000
Land Assembly Projects	-	1,736,650
Land Acquisition	-	1,657,117
	<u>4481</u>	<u>\$50,627,100</u>

1. Rent Geared to income Private Sector and Co-Op—No capital
2. Funding Provided Through Department of Education
3. Program Did Not Require Capital Funding

Nova Scotia Department of Housing Annual Report 1986-87
Program Expenditures¹



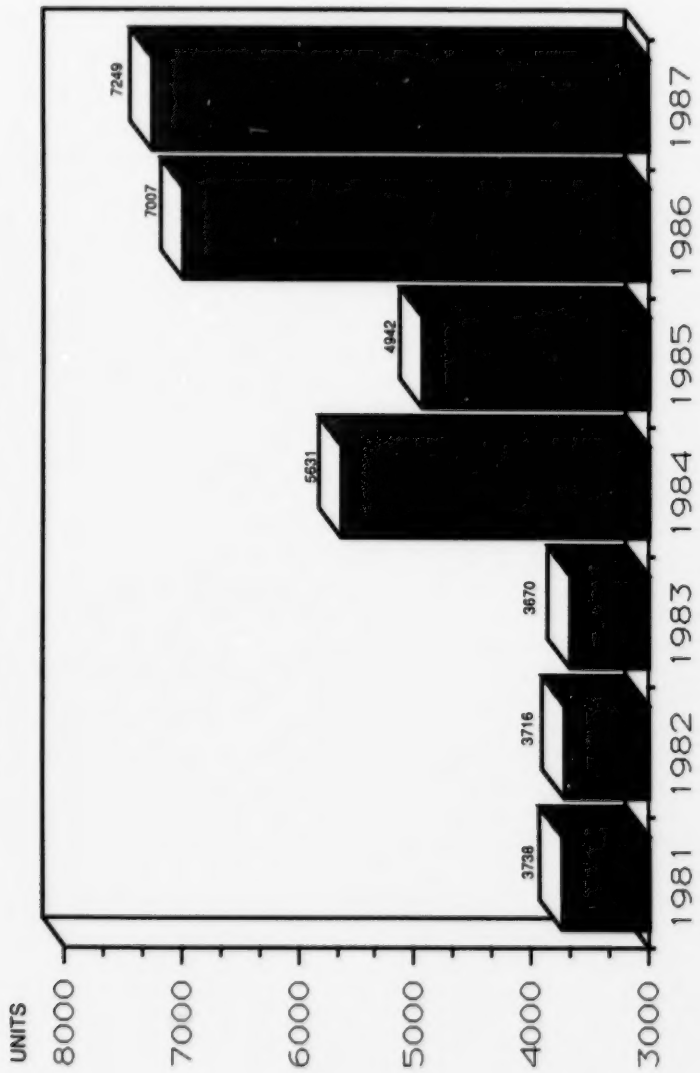
¹Values below \$1 million not shown (see preceding table)

HOUSING STARTS
1980-1987
(April 1-March 31)

April 1-March 31⁽¹⁾	NSDH Sponsored ⁽²⁾ Housing Starts	Total Provincial Housing Starts
1980	700	4609
1981	615	3738
1982	1077	3716
1983	720	3670
1984	677	5631
1985	554	4942
1986	550	7007
1987	1502	7249 ⁽³⁾

- (1) For example, 1980 represents starts between April 1, 1979 and March 31, 1980;
- (2) Represents a combination of tender awards and application approvals for Senior Citizens and Family Unit Public Housing, Self-Help, Lease Purchase, Shell Housing, Family Benefits, Student Housing, Special Metro Demo, Non Profit Special Purpose, and Small Starter Home Programs, Parent Apartment, Second Mortgage, Apartment Creation, Residential Intensification, Rent Supplement.
- (3) Figures include preliminary starts for the period January to March 1987 for all of Nova Scotia.

Province of Nova Scotia
Total Housing Starts - 1981-87 (April 1 to March 31)



HOUSING FOR SENIOR CITIZENS

The Senior Citizens Public Housing Program provides inexpensive, pleasant living accommodations for Nova Scotia's senior citizens.

Applicants must be 58 years of age or over and able to maintain their own apartments. Entry is not restricted, but priority is extended to individuals in the lower income levels through a point rating system. Points are awarded based on the income of the applicant, his or her health and present living accommodations. Each applicant must have resided in the particular community of application for 12 consecutive months within the last three years.

The rent is based on the gross family income of tenants. The rent-to-income scale presently ranges between 16.7 per cent and 25 per cent of gross income.

Senior Citizens Public Housing projects are built under a federal-provincial partnership agreement through Section 56.1 of the National Housing Act. The capital cost is raised 100 percent through private sector lenders with a 100 percent CMHC loan guarantee. Any operating losses are shared 75 percent by Canada Mortgage and Housing Corporation with the remaining 25 percent being divided between the province and the relevant municipality. During the actual construction of each project, the department is responsible for acquiring the land, tendering the project contracts, designing the project and overseeing all aspects of the construction process.

As with Family Public Housing units, once projects are completed they are turned over to a local housing authority to administer. These authorities are responsible for tenant selection, rent collection, project staff supervision and daily operating matters.

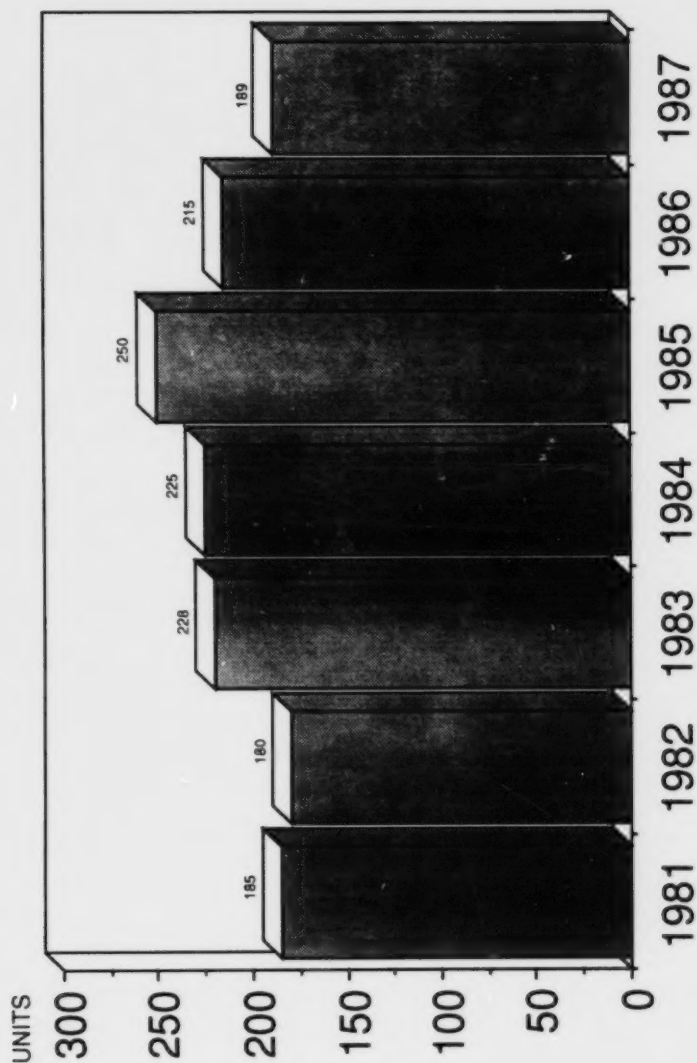
During the 1986/87 fiscal year one hundred and eighty-nine units were delivered to eligible Nova Scotians.

1986-1987
RENT TO INCOME HOUSING—SENIOR CITIZENS
DELIVERED⁽¹⁾

Location	Units	Amount
Amherst	15	\$ 518,051
Annapolis Royal	15	572,193
Bridgewater	20	757,128
Dingwall	10	498,330
Halifax	20	829,246
Herring Cove	14	514,700
Little Dover	5	214,300
Main-A-Dieu	6	255,351
Noël	10	349,450
Pictou	15	665,302
River Bourgeois	10	418,398
Sydney	24	893,510
Yarmouth	25	901,354
TOTAL	<u>189</u>	<u>\$7,387,313</u>

- (1) Delivered relates to projects which had a tender award during the year. Funding for these projects came from capital programs for the years 1983 to 1987.

Nova Scotia Department of Housing
Rent to Income Housing - Senior Citizens Delivered 1981-87



HOUSING FOR FAMILIES

The Family Public Housing Program provides affordable, comfortable homes for families in the low-to medium-income range.

Prospective applicants are point scored for eligibility, and priority is given to those with the highest number of points. Points are awarded for a variety of reasons such as the family's needs, income, amount of present rent, and the condition of present accommodations. Applicants must also have been residents in the particular community for 12 consecutive months within the last three years.

Rent is based on the gross family income of the tenants. The rent-to-income scale presently ranges between 16.7 percent and 25 percent of gross income, with appropriate reductions for services not provided and for each child.

Family Public Housing projects are built by the department and Canada Mortgage and Housing Corporation through Section 56.1 of the National Housing Act. Capital costs of the projects are raised 100 percent through private sector lenders with a 100 percent CMHC loan guarantee. Any operating losses are cost-shared 75 percent by CMHC with the remaining 25 percent being divided between the province and the respective municipality (based on that municipality's ability to pay). During the actual construction of each project the department is responsible for acquiring the land, tendering the project contracts, designing the project and overseeing all aspects of the construction process.

Once projects are completed, they are turned over to a local housing authority to administer. These authorities are responsible for tenant selection, rent collection, project staff supervision and daily operating matters.

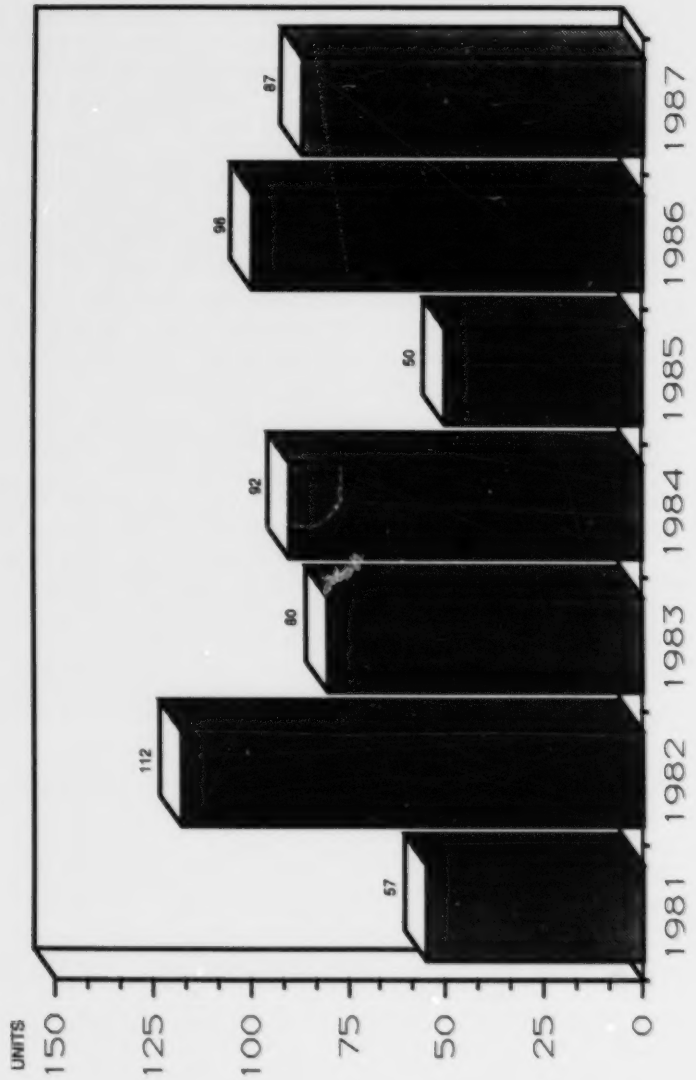
During the 1986/87 fiscal year 87 units were delivered to eligible Nova Scotians.

**1986-1987
RENT-TO-INCOME HOUSING - FAMILY UNITS
DELIVERED⁽¹⁾**

Location	Units	Amount
Amherst	4	\$ 197,425
Annapolis County	4	186,293
Arichat	2	97,000
Baddeck	2	99,398
Barrington	2	107,835
Bedford	2	148,400
Dartmouth	6	422,600
District of Clare	4	201,400
Eastern Passage	4	220,000
Glace Bay	5	229,308
Joggins	2	99,200
New Glasgow	4	186,926
North Sydney	1	43,850
Port Hawkesbury	2	101,000
Prospect	2	124,000
Pugwash	1	49,600
Reserve	2	75,297
River Hebert	1	45,000
Sackville	4	296,800
Sheet Harbour	4	239,800
Springhill	4	197,425
Sydney	4	168,620
Sydney Mines	3	131,550
Trenton	2	118,000
West Hants	4	187,632
Westville	4	217,500
Yarmouth	8	372,130
TOTAL	<u>87</u>	<u>\$4,563,989</u>

(1) Delivered relates to projects which had a tender award during the year. Funding for these projects came from Capital Programs for the years 1983 to 1987.

Nova Scotia Department of Housing
Rent to Income Housing - Family Units Delivered 1981-1987



HOUSING AUTHORITIES

All new and existing Senior Citizens and Family Unit Public Housing projects built under Section 40, 43, 44 and 56.1 of the National Housing Act are managed by a local or regional housing authority. Housing authorities have been established by provincial Orders-in-Council to manage, maintain and administer these projects.

Authorities act independently within the policies contained in the Public Housing Operations Manual and the Housing Authority Agreement. This agreement is made between CMHC, the department, the relevant authority and the municipality in which the units are located.

The Public Housing Operations Manual ensures that the basic policies are implemented uniformly throughout the province and allows the Authorities the freedom to deal with situations unique to each community.

The number of members appointed to a housing authority is established by each individual Order-In-Council. Appointments to the Authority are made by the Minister of Housing on the recommendations of a nominating committee representing all participating levels of government. If a regional authority serves more than one municipality the appointees are nominated by the relevant municipal councils involved and by the federal and provincial Ministers. Elected individuals holding federal, provincial or municipal offices are not eligible to sit on Housing Authority boards.

There are 43 Housing Authorities across the province administering nearly 10,000 units. Approximately 6,800 are senior citizens units and 3,200 are family units.

LEASE PURCHASE HOUSING PROGRAM

The Lease Purchase Housing Program is designed to help low- and middle-income families acquire homes of their own through a subsidized rental system.

Homes must be single-family dwellings, newly constructed or existing (never occupied). They may be detached, semi-detached or one unit of row housing. House plans, specifications and building lots are approved by the Department of Housing in accordance with CMHC regulations.

A Lease Purchase Agreement allows eligible applicants to purchase a home within the first five years of occupancy at the original capital cost. After purchasing the home the tenant must remain in it for a future five years to qualify for all of the appreciated value.

The applicants pay approximately 25 percent of their income as rent and are responsible for any ongoing maintenance and all utilities. The balance of the required payment is cost-shared by CMHC and the Department of Housing.

During the 1986/87 fiscal year thirty units were delivered to eligible Nova Scotians.

**1986-87
LEASE PURCHASE HOUSING**

Region	Approved Applicants	Mortgage Funds Approved
1	9	\$ 481,000.
2	4	208,000.
3	13	853,000.
4	4	198,000.
TOTAL	<u>30</u>	<u>\$1,740,000.</u>

Self-Help Housing Program

The Self-Help Housing Program provides mortgages to Nova Scotians who wish to build their own homes but may find it difficult to do so in the private market. Loans are made to families whose combined income is within the established program guidelines. They must be able to afford homeownership however.

The loan is payable over a maximum of 25 years. The interest charged is based upon the provincial borrowing rate plus one-half per cent for administration, which is subject to change. The maximum loan is also limited to monthly payments that do not exceed 27 percent of the family's gross income.

All proposed building sites must be approved by the local municipal planning authority and the Department of Housing. Although the house design is the selection of the individual, it must meet the Department of Housing's guidelines for size and design.

Assistance in completing the necessary documentation, as well as technical help with the actual construction of the house, is provided free of charge by department staff.

During the 1986/87 fiscal year two hundred and eighty-eight units were delivered to eligible Nova Scotians.

1986-87 SELF HELP HOUSING

Region	Approved Applicants	Mortgage Funds Approved
1	75	\$ 3,399,000.
2	49	2,496,000.
3	125	6,799,000.
4	39	1,879,000.
TOTAL	<u>288</u>	<u>\$14,573,000.</u>

FAMILY BENEFITS HOUSING PROGRAM

The Family Benefits Housing Program is a joint initiative between the Department of Housing and Department of Community Services to provide modest housing to eligible applicants who are in receipt of the shelter component of provincial family benefits.

To be eligible for the program, applicants must have been residents of Nova Scotia for one year and must be in receipt of the shelter component of the provincial family benefits program. Applicants shall not own a home—with the exception of those who reside in a dwelling which is inadequate by virtue of its physical condition. Single individuals who apply must have a dependent to qualify for assistance. All work carried out must meet the requirements of municipal by-laws and regulations.

Under this new program all loans shall be used for the construction of a new or the purchase and/or repair of an existing housing unit. Units are for the sole use and benefit of an applicant and his or her immediate family.

Maximum loan amounts shall be \$45,000 for new construction and \$40,000 for existing units or as determined by the shelter component available and the prevailing interest rate at the time of mortgage approval. The amortization period of the mortgage shall not exceed 25 years.

During the 1986/87 fiscal year seventy-nine units were delivered to eligible Nova Scotians.

**1986-87
FAMILY BENEFITS PROGRAM**

Region	Approved Applicants	Mortgage Funds Approved
1	23	\$ 778,000.
2	15	523,000.
3	11	525,000.
4	30	1,065,000.
TOTAL	<u>79</u>	<u>\$2,891,000.</u>

PARENT APARTMENT PROGRAM

The Parent Apartment Program provides financial assistance to eligible homeowners to create a modest apartment unit within a principal residence for seniors related to the homeowner.

Applicants must be a resident of Nova Scotia for at least one year and own real property. Loans are made only with respect to the permanent residence of the applicant. Upon completion of the unit the total outstanding charges against the property shall not exceed 90 percent of market value.

The unit created by the additional space or the space to be renovated will include 120 square feet for bedroom and storage facilities and may include bathing and minor food preparation areas. If bathing facilities are not included easy access to existing facilities must be available.

Under the program the minimum loan shall be \$1,000 and the maximum up to \$10,000. All loans are secured by a first or second mortgage. The repayment loan shall not exceed 10 years at an annual interest rate of 6 percent.

During the year 8 applicants received benefits under the program.

1986-87

PARENT APARTMENT PROGRAM

Region	Approved Applicants	Amount of Loans
1	3	\$25,000.
2	3	28,000.
3	1	10,000.
4	1	8,000.
TOTAL	8	<u>\$71,000.</u>

APARTMENT CREATION PROGRAM

The Apartment Creation Program provides financial assistance to increase the number of rental apartment units available to low and moderate income individuals or families. Actual work would include conversion and/or retrofit of existing structures or additions.

Applicants must be a resident of Nova Scotia for at least one year or must be a corporation registered to carry on business in Nova Scotia. The applicant shall enter into an agreement with the Minister respecting rents to be charged to tenants for a three year period (and their manner of calculation). All loans shall be used for the creation of new apartment units and all work shall fully comply with municipal by-laws and regulations.

Under this new program the maximum loan shall not exceed \$15,000 per eligible unit. The total capital costs shall not exceed \$40,000 and will be secured by a first or second mortgage. The term of the mortgage shall not exceed ten years at an interest rate determined at the time of approval. The total of the first and second mortgages shall not exceed 90 percent of the appraised market value after completion.

In the fiscal year 1986/87 twenty-one units were created under this program for Nova Scotians.

**1986-87
APARTMENT CREATION PROGRAM**

Region	Approved Applicants	Amount of Loans
1	21	\$259,000.
2	0	0
3	0	0
4	0	0
TOTAL	<u><u>21</u></u>	<u><u>\$259,000.</u></u>

RESIDENTIAL INTENSIFICATION PROGRAM

The Residential Intensification Program was a new pilot project program introduced in fiscal year 1986-87. The program is designed to provide assistance to increase the number of households accommodated in existing buildings and/or existing serviced land in the Halifax-Dartmouth area. This is accomplished through the conversion of existing structures and through the building of new units on vacant land.

Under the provisions of the program the Department of Housing provides grants of \$2,000 per unit for proposals of a minimum of 4 newly created rental units up to a maximum of 40 units. All projects must be located within the major community areas of the Halifax-Dartmouth region.

Rental units developed with funding or assistance from other federal or provincial housing programs are not eligible. Approved applicants must enter into a signed agreement with the province on the number of eligible units and the proposed rental scale to be established.

During the year, 36 units were provided under this program.

1986-87

RESIDENTIAL INTENSIFICATION PROGRAM

Region	Approved Applicants	Amount of Grants
1	0	0
2	0	0
3	36	\$72,000.
4	0	0
TOTAL	<u>36</u>	<u>\$72,000.</u>

SECOND MORTGAGE HOUSING PROGRAM

The Second Mortgage Housing Program was a new program in fiscal year 1986-87.

Under the provisions of the program, financial assistance is provided to first-time homeowners for the down payment to construct or purchase a modest home or condominium.

To qualify eligible applicants must meet the following criteria:

- maximum gross family income is not to exceed \$45,000
- must be a minimum two person household
- Individual cannot presently own a home
- Individual must provide a minimum of \$1,500 in equity

To qualify for the program eligible housing units must not be older than ten years for existing units, and the maximum purchase price must not exceed \$85,000. Where the purchase price exceeds \$75,000, the applicant's equity increases proportionally.

Under the program the Department of Housing provides financial assistance as follows:

- a maximum second mortgage of 25 percent of the purchase price (less \$1,500 equity) to a maximum of \$17,250
- interest rate established at the time of approval
- interest rate fixed for the term of the first mortgage
- amortization not to exceed 15 years

During the year, 190 applications were approved under the program.

1986-87 SECOND MORTGAGE PROGRAM

Region	Approved Applicants	Mortgage Funds Approved
1	1	\$ 10,000.
2	4	62,000.
3	183	2,822,000.
4	2	26,000.
TOTALS	<u>190</u>	<u>\$2,920,000.</u>

SHELL HOUSING PROGRAM

The Shell Housing Program is also a new program. Under the program, financial assistance is provided to lower and middle income families for the construction or purchase of a new (never occupied) modest home. An underlying principle of the program is that such housing units may be occupied with construction partially complete with any outstanding work to be completed by the homeowner at a later date as financing permits.

To be eligible applicants must have been residents of Nova Scotia for one year. They cannot own a home at the time of application and not have a gross family income in excess of \$28,000 per annum. It must be a minimum two-person household.

Under the program, eligible applicants receive financial assistance as follows:

- maximum mortgage available of \$50,000, including mortgage insurance fee
- mortgage interest rate to be determined at the time of loan approval
- maximum 25 years amortization
- subsidy is available to reduce monthly mortgage payment, including principal, interest and taxes (P.I.T.) to 25 percent of gross family income and shall not exceed \$100 per month
- subsidy is subject to an annual income review
- subsidy shall decrease annually by the greater of \$10 per month per year or by the difference between original subsidy and the amount required to bring the mortgage payment to 25 percent of gross family income
- subsidy shall not be increased or reinstated
- only the original applicant shall receive a subsidy and only so long as the applicantt owns and occupies the unit and is eligible to receive a subsidy

Twenty-seven units were delivered under this program.

**1986-87
SHELL HOUSING PROGRAM**

Region	Approved Applicants	Mortgage Funds Approved
1	4	\$ 187,000.
2	5	243,000.
3	7	355,000.
4	<u>11</u>	<u>487,000.</u>
Total	<u>27</u>	<u>\$1,272,000.</u>

PROVINCIAL HOUSING EMERGENCY REPAIR PROGRAM

The Provincial Housing Emergency Repair Program (PHERP) provides one-time grants of up to \$2,500 for labour and materials to applicants who cannot afford to do emergency home repairs. These repairs must be related to home and safety standards, and must be for items posing a threat to the health of the applicant.

Applicants must own or have a life interest in the home, and priority is given to persons with an income of \$6,000 per year or less. The home must be the principal residence of the applicant and a single family unit, but it may be detached, semi-detached, a mobile home or one unit of row housing.

During the year 661 units were delivered under this program.

**1986-87
EMERGENCY REPAIR PROGRAM**

Region	Approved Applicants	Amount of Grants
1	144	\$ 312,000.
2	153	365,000.
3	236	562,000.
4	128	287,000.
TOTAL	<u>661</u>	<u>\$1,526,000.</u>

ACCESS-A-HOME PROGRAM

The Access-A-Home Program offers financial assistance for home renovations to individuals or family members who are confined to a wheelchair because of a long-term disability. The grant amount varies according to the applicant's gross family income. The maximum amount available varies from \$750 to \$1,350 depending on the income of the applicant.

Program participants with a gross yearly income of \$15,000 or less receive a grant of 90 percent for the first \$1,500 of approved work and materials in place. Participants with a gross yearly income of \$15,001–\$30,000 receive a grant of 70 percent of the first \$1,500 of approved work and materials in place. Those with a gross yearly family income of more than \$30,000 receive a grant of 50 percent for the first \$1,500 of approved work and materials in place.

The individual or applicant is given a grant to cover the cost of labour and materials needed to eliminate architectural barriers. The individual must live in the home and own or have a life interest in it. Remodeled bathrooms, lowered light switches, chair lifts and ramps are all examples of work that has been completed through this program.

During the year 95 units were delivered under this program.

1986–87

ACCESS-A-HOME PROGRAM

Region	Approved Applicants	Amount of Grants
1	25	\$25,000.
2	18	21,000.
3	22	22,000.
4	30	29,000.
Total	<u>95</u>	<u>\$97,000.</u>

SMALL LOANS ASSISTANCE PROGRAM

This program provides low-interest loans for repairs, alterations or additions to (and for completion or partial completion of) a single-family home. Loans of up to \$5,000 are available with a maximum repayment term of five years.

The program is designed for families with an adjusted income of less than \$17,000 a year. The interest rate is 8 percent or less for an adjusted family income of \$12,000 annually, and 10 percent for those having an adjusted family income of \$12,001–\$14,000. For those above these income guidelines the interest rate is the provincial borrowing rate at the time of approval.

Loans are secured by a first, second or chattel mortgage on the property. When a second mortgage is taken, the balance owing on the first mortgage must not exceed 75 percent of the appraised value of the home.

During the year 215 units were delivered under this program.

1986–87

SMALL LOANS ASSISTANCE PROGRAM

Region	Approved Applicants	Amount of Loans
1	72	\$ 246,000.
2	40	168,000.
3	69	252,000.
4	34	132,000.
TOTAL	<u>215</u>	<u>\$ 798,000.</u>

SENIOR CITIZENS ASSISTANCE PROGRAM

This program is designed to help senior citizens who wish to stay in their homes but cannot afford the necessary repairs and alterations that would make this possible.

A forgiveness loan is given for the actual cost of labour and materials to a maximum of \$3,000. The loan is secured by a forgiveness loan agreement and is forgiven at the rate of \$83.34 per month as long as the senior continues to own the home and live in it. If the title is transferred, the entire original loan amount becomes due and payable.

To qualify for the program an individual must be 65 years of age or over. They must reside there and own, be part owner, or have a life interest in the home. Priority is given to applicants with a combined income of \$12,000 or less. Only in cases of extreme emergency will an applicant be eligible if previous assistance under any federal or provincial rehabilitation program has been received.

The residence must be a single family home, including detached, semi-detached or one unit of row housing. If title to the house is transferred, the unforgiven balance becomes due and payable.

In 1986-87, 1978 units were delivered under this program.

1986-87**SENIOR CITIZENS ASSISTANCE PROGRAM**

Region	Approved Applicants	Amount of Grants
1	396	\$1,089,000.
2	422	1,126,000.
3	550	1,488,000.
4	610	1,586,000.
Total	<u>1978</u>	<u>\$5,289,000.</u>

RENT SUPPLEMENT PROGRAM

The Rent Supplement Program provides assistance for individuals to obtain affordable, adequate and suitable housing by subsidizing rental rates in eligible rental dwellings. Under the program, assistance is available to private landlords and continuing housing co-operatives.

The assistance is based on the difference between rent paid by the rent supplement client and a market rent agreed to by the Minister in a formal agreement with the owner. Rents charged are based upon a rent-geared-to-income scale and adjusted household income and are cost-shared by Canada Mortgage and Housing Corporation in consultation with the Department of Housing.

For private landlords a public tendering process is used in the selection of projects and units where possible. Applicants from existing waiting lists for Public Family Housing are referred from Housing Authorities.

One hundred and thirty-three units were provided under this program. Fifty units were delivered through the Continuing Housing Co-operative program and 83 were delivered through private landlords. All were located in the Halifax-Dartmouth region.

SMALL STARTER HOME PROGRAM

The Small Starter Home Program is a new program for 1986-87. Its purpose is to provide suitable housing for those with low incomes.

Under the program, units are delivered by Non-Profit Agencies after they have obtained financing from a private lender. The Department of Housing guarantees the loan.

For clients on provincial social assistance, approval of the maximum shelter component by the Department of Community Services is required. For other low income applicants, assistance at the rate of \$100 per month, reduced annually, is available.

To apply, Non-Profit Groups contact the Department of Housing indicating number of units they wish to deliver, where the units will be located, cost estimates and who the clientele will be.

Under the program, emphasis is placed on newly constructed units and on the ability of the Non-Profit Agency to provide counselling and training to the client for up to three years on a lease purchase agreement on the house.

Thirty-six units were delivered under the program in 1986-87.

SPECIAL METROPOLITAN HALIFAX-DARTMOUTH DEMONSTRATION HOUSING PROGRAM

In Nova Scotia the incidence of home ownership has traditionally been one of the highest in Canada. In addition, Nova Scotians have the oldest housing stock in Canada and have taken pride in retaining many fine homes.

Like all other provinces, Nova Scotia has a need for more housing—especially for those on lower incomes and for the physically, socially and mentally disadvantaged. When the United Nations adopted 1987 as the International Year of Shelter for the Homeless, it represented another opportunity for Nova Scotia to focus on housing and to direct renewed attention to the plight of the disadvantaged and their basic need for shelter.

In recognition of the International Year of Shelter for the Homeless, and in response to the unique housing demands present within the province, a special initiative was undertaken.

This initiative was known as the Metropolitan Demonstration Housing Program. Under this program 250 units were delivered at an approximate cost of \$11.6 million. A variety of housing types for low-income persons and special need groups within the Halifax/Dartmouth area were identified and committed.

This program used a new financing approach that provided up-front capital grants instead of traditional long term subsidies. The project was funded by three levels of government and included direct delivery responsibility by non-profit groups.

Under the program approximately 87 units housed homeless individuals, 40 units were targeted to seniors with special needs and the balance were directed at families in need of secure shelter.

The 87 units for homeless individuals included a 50-bed emergency night shelter for men, 14 rooming house units for projects were located in Halifax and Dartmouth and served the entire metropolitan area. Most included support services designed to assist the clients as they adjusted to their new housing situation and to new social pressures.

The 40 units for seniors provided two 20-unit enriched senior citizens residences. They are located immediately adjacent and attached

to special care facilities. These units provide seniors with the opportunity to enjoy an independent life-style, while availing themselves of services provided by the special care facility on a fee-for-service basis as required.

The 123 family units housed single parents and those on very low incomes, and also provided units for physically handicapped persons.

The non-profit organizations involved are experienced in working with special needs groups in need of shelter, and most offer counselling and other services in addition to housing management. Clients for this project are selected on the basis of 'core housing need' and other criteria established by the participants.

NOVA SCOTIA HOME AWARDS PROGRAM

The Nova Scotia Home Awards Program was initiated in 1982 by the Nova Scotia Department of Housing as an annual awards program for the housing industry. These awards encourage the housing industry to continue to implement new technical and design innovations in Nova Scotia. This program allows the department to recognize excellence and special achievements in the housing industry. The Nova Scotia Home Awards are now presented annually as one way of supporting innovation in residential development in Nova Scotia and increasing public awareness of the province's residential development activity.

The first awards were presented for innovations in residential design. The recent trend toward home renovations resulted in a new category being created for the 1984 awards—Housing Renovation/Restoration. A brief description of the three current award categories follows:

Housing Unit Design — All housing types will be eligible. Award nominees will be considered on the basis of design innovation and excellence, cost, energy conservation, and the use of Nova Scotia products.

Housing Innovation — Innovation in the use of materials, financing, subdivision design, or housing component design.

Housing Renovation/Restoration — Excellence in the renovation of older housing stock with emphasis on suitability to neighbourhood, historical value, attention to detail, economics, and universality of application.

The awards consist of a cast bronze plaque with the provincial crest and Nova Scotia Home Awards insignia. They are presented to winning submissions in each of the three above categories. In addition, a framed certificate signed by the Minister of Housing is presented to the architect or other professional involved in the design process thus honouring them for excellence in design.

The competition closes in October. A jury is selected from the Nova Scotia Home Builders Association, the Nova Scotia Association of Architects, and two representatives from the Department of Housing to review the entries and select the final winners. Entries are judged on a point-scoring system based on economics, historical significance, Nova Scotian content, and affordability.

The competition was held for the fifth consecutive year with 24 entries submitted for judging and evaluation.

STUDENT HOUSING PROGRAM

The Student Housing Program was a new program introduced in 1986-87 to provide moderately priced rental accommodation for full-time university students.

Under the provisions of the program, accommodation is limited to students whose permanent residence lies outside the university area and who therefore, have a demonstrated need for alternative accommodation.

Delivered directly by the university involved, the program provided 72 units of accommodation in fiscal year 1986-87. It was a co-sponsored project between the Department of Housing and the Department of Education.

BRIDGE FINANCING FOR NON-PROFIT CO-OPERATIVE HOUSING

Non-profit co-operative housing is administered directly by CMHC through Section 56.1 of the National Housing Act. The Department of Housing has also been instrumental in the success of co-operatives in this province.

The department provides interim financing at reasonable interest rates. This enables co-operatives to make necessary financial commitments before first mortgage draws are available, to a maximum of 10 percent of approved capital cost.

The funding is to be used by private non-profit housing corporations for costs related to design, installation of sewer and water and legal services, etc.

During 1986-87, one co-operative project took advantage of this program; the Crossroads Continuing Co-operative Housing Project, a 50 unit project, received a commitment for \$300,000 in interim financing.

SPECIAL PURPOSE HOUSING PROGRAM

The Special Purpose Housing Program provides accommodation to those individuals requiring special care due to physical or mental infirmities.

The program provides financial assistance through the Municipal Finance Corporation in the case of public non-profit groups. In the case of private non-profit groups, funding is provided through private lenders.

The Department of Housing and Canada Mortgage and Housing Corporation provide a subsidy, if required, in the form of a write-down on the interest rate of the loan from the prevailing rate to 2 percent, the cost of which is shared 25 percent, 75 percent respectively.

Any remaining deficit and costs associated with the care portion of a project are covered by a *per diem* rate. This is cost-shared by the relevant municipality and the Department of Community Services.

During the year, 36 units of special purpose housing were provided to Nova Scotians in need.

RURAL AND NATIVE HOUSING PROGRAM

The Rural and Native Housing Program is designed to provide assistance to low income families in rural areas of Nova Scotia to acquire adequate housing through either new construction or through the acquisition and repair of an existing unit.

This program is delivered directly by CMHC through its delivery agent network throughout the province and is 100 percent funded by CMHC for both capital construction and subsidy costs. Prior to 1986 the Province of Nova Scotia cost-shared the capital and subsidy costs for housing units constructed under the program. The province is directly involved in the on-going cost-sharing on the existing program portfolio built prior to 1986.

LAND ACQUISITION AND DEVELOPMENT PROGRAM

The department's Land Acquisition and Development Program is intended to help ensure a supply of moderately priced serviced land within various communities in Nova Scotia. This program is also intended to provide moderately priced serviced building sites to private home builders, small and large building contractors, commercial and institutional developers.

Sizeable subdivisions have been undertaken in the Halifax-Dartmouth metropolitan area at Cole Harbour, Lower and Middle Sackville, Spryfield, and also in Sydney, Cape Breton. In addition, a number of smaller projects have been developed at various locations throughout the province.

In the case of the large subdivisions, serviced land is designed for low and high-density residential development as well as for commercial and institutional uses. Substantial parkland tracts are also set aside for public recreational use.

Through this program the Department of Housing undertakes the complete process from acquiring the vacant raw land through the planning, servicing and marketing stages.

**1986-1987
LAND ACQUISITION
SUMMARY**

Location	Acres	Lots
Amherst		4
Cape Breton County	3.88	2
Cumberland County		4
Dartmouth		3
Digby County	2.5	
Glace Bay	2.52	5
Halifax	.88	
Halifax County		3
Hants East		2
Hants West		2
Inverness County	1.0	1
Kings County		9
New Waterford		1
Shelburne	1.15	2
Sydney	1.94	1
Sydney Mines		2
Truro	1.0	
Yarmouth	.6	5
	<u>15.47</u>	<u>46</u>

**1986-87
LAND ASSEMBLY PROJECTS
TENDER AWARDS
SUMMARY**

Location	Type of Work	Amount of Tender Award⁽¹⁾	Lots Created⁽²⁾
Sackville			
Phase 7R	Roads & Services	\$ 143,532.	17
Phase 13A	Roads & Services	570,274.	70
Millwood			
Phase 1C	Roads & Services	149,511.	36
Phase 1B	Paving	343,360.	—
Forest Hills			
Phase TD3-1	Paving		—
Phase TC6	Paving		—
Phase 10C	Paving	157,372.	—
Kidston Estates			
Phase 1A	Paving	251,035.	—
Kidston Estates Sales Office		91,831.	—
Baile Ard			
Phase 2	Paving	29,735.	—
Total		<u><u>\$1,736,650.</u></u>	<u><u>123</u></u>

(1) Value at time of tender award; does not include value of change orders.

(2) Expressed in units.

**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
FINANCIAL STATEMENTS
MARCH 31, 1987**



**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
FINANCIAL STATEMENTS
MARCH 31, 1987**

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AUDITOR'S REPORT

To the Chairman and Members
of the Housing Development Board and to
the Minister of Housing

I have examined the balance sheet of the Housing Development Fund as at March 31, 1987, the statements of advances and recoveries, and continuity of the fund for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Housing Development Fund as at March 31, 1987, and the advances, recoveries and continuity of the fund for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

O.P. Cormier, F.C.A.
Auditor General

Halifax, Nova Scotia
September 24, 1987

**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
BALANCE SHEET
MARCH 31, 1987**

Assets

	1987	1986
Advances for the Purchase of Land	\$ 424,830	\$ 84,292
Accounts Receivable (Schedule I)	1,375,886	4,646,876
Temporary Advances on behalf of the Housing Development Corp. (Schedule IV)	6,152,408	—
Mortgages Receivable (Schedule II) (Note 3)	81,220,523	92,427,968
Deferred Charges	86,764	70,767
Investment in Land and Housing Projects (Schedule III) (Note 2)	107,491,764	105,756,034
	<u>\$196,752,175</u>	<u>\$202,985,937</u>

Liabilities and Fund Balance**Liabilities**

Accounts Payable (Schedule V)	\$ 1,800,518	\$ 1,669,140
Contractors' Holdback Payable	1,042,433	1,397,540
Notes Payable (Schedule VI)	68,118,198	71,918,598
	<u>70,961,149</u>	<u>74,985,278</u>

Fund Balance

Contributed Surplus (Note 4)	4,000,000	4,000,000
Advances from Consolidated Fund (Authorized \$154,000,000)	125,145,516	129,331,436
Less: Allowance for Doubtful Recoveries	3,354,490	5,330,777
Net Advances	<u>121,791,026</u>	<u>124,000,659</u>
Fund Balance	<u>125,791,026</u>	<u>128,000,659</u>
	<u>\$196,752,175</u>	<u>\$202,985,937</u>

Approved on behalf of the Board;

Chairman

Deputy Minister

**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
STATEMENT OF ADVANCES AND RECOVERIES
FOR THE YEAR ENDED MARCH 31, 1987**

	1987	1986
Advanced to the Fund,		
Beginning of Year	<u>\$129,331,436</u>	<u>\$127,471,191</u>
Advances		
Public Housing Construction Costs	9,354,993	17,074,766
Land Servicing Costs	4,229,091	4,618,628
Repayments on Notes Payable		
Co-operative Housing	3,507,986	3,703,649
Land Assembly	179,026	162,812
Public Housing	110,753	102,357
Lease Purchase Housing	1,669,722	1,346,725
Mortgage Advances		
Provincial Self-Help	3,465,991	11,151,827
Second Mortgages	2,382,202	—
Small Loans Assistance	893,515	585,605
Rural and Native Housing	232,469	969,741
Interim Financing — Non-Profit		
Housing Co-operatives	150,000	208,237
Apartment Creation	120,205	—
Parent Suites	12,500	—
Other	2,635	2,337
Temporary Advances on Behalf of		
N.S. Housing Development Corp.		
Non-Profit Housing	7,756,103	—
Metro Demonstration Project	566,227	—
Provincial Self-Help, 1986	8,702,606	—
Family Benefits Housing	1,320,863	—
Shell Housing	381,723	—
Recovery of Prior Years' Write Offs		
and Gain on Disposal	<u>2,461,762</u>	<u>96,378</u>
Total Advances	<u>47,500,372</u>	<u>40,023,062</u>
	<u>176,831,808</u>	<u>167,494,253</u>
Recoveries		
Recovery from CMHC		
Public Housing	9,289,679	12,513,421
Land Servicing	818,129	—

Land Servicing Recoveries	497,910	457,895
Land Sales	5,866,367	5,876,952
Repayments on Mortgages Receivable		
Provincial Self-Help	6,920,403	2,569,653
Co-operative Housing	4,875,289	5,356,563
New Home Mortgage	2,603,510	1,951,039
Lease Purchase Mortgage	2,312,638	2,175,252
Canada-N.S. Home Insulation and Electric Conversion	<u>2,224,976</u>	<u>4,248,749</u>
Subtotal	<u>35,408,901</u>	<u>35,149,524</u>
Small Loans Assistance	503,489	461,302
Rural and Native Housing	351,608	253,718
Interim Financing—Non-Profit		
Housing Co-operatives	115,366	245,528
Parent Suites	132	—
Canada/Nova Scotia Off-Shore Development Fund	—	2,000,000
Other	116,538	52,745
Recovery of Temporary Advances from N.S. Housing Development Corp.		
Non-Profit Housing	5,706,792	—
Metro Demonstration Project	497,880	—
Provincial Self-Help, 1986	6,918,289	—
Family Benefits Housing	270,718	—
Shell Housing	50,500	—
Write-Off of Doubtful Accounts	<u>1,746,079</u>	<u>—</u>
Total Recoveries	<u>51,686,292</u>	<u>38,162,817</u>
Advanced to the Fund, End of Year	<u>\$125,145,516</u>	<u>\$129,331,436</u>

**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
STATEMENT OF CONTINUITY
FOR THE YEAR ENDED MARCH 31, 1987**

	1987	1986
Balance, Beginning of Year	\$154,000,000	\$154,000,000
Add: Authorizations for the Year	<u>—</u>	<u>—</u>
Balance, End of Year	<u>\$154,000,000</u>	<u>\$154,000,000</u>
Comprising:		
Advanced to the Fund	\$125,145,516	\$129,331,436
Balance Unadvanced	<u>28,854,484</u>	<u>24,668,564</u>
	<u>\$154,000,000</u>	<u>\$154,000,000</u>

**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1987**

1. Authority

The Provincial share of capital housing programs is financed through the Housing Development Fund as established by Section 20(1) of the Housing Act. These programs include the construction of lease purchase housing units, low interest loans for home construction and rehabilitation, the assembly and servicing of land, and the construction of public housing.

2. Significant Changes

In 1986 the Province entered into a new Federal/Provincial Global Agreement on Social Housing. Under the new Global Agreement the Province is required to provide one hundred percent of the capital for Social Housing Programs. The Federal Government continues to share in subsidy costs only.

On June 17, 1986 the Nova Scotia Housing Development Corporation Act was proclaimed. The Nova Scotia Housing Development Corporation was established to provide long term mortgage financing through outside Lenders for the Public Non-Profit Housing Program, the Self-Help Housing Program, the Family Benefits Housing Program, and the Shell Housing Program.

Interim financing for these programs is provided through the Housing Development Fund. When the projects are completed, the project is transferred to the Nova Scotia Housing Development Corporation. The Nova Scotia Housing Development Corporation then grants a mortgage or assigns a mortgage to the outside Lender as security for a loan. The proceeds of the loan are then turned over to the Province in payment for the project's interim financing.

3. Accounting Policies

Public Housing

Public housing projects are carried at cost which includes the cost of site investigation, land, construction, administration and interest during construction.

Section 40 projects are jointly owned by Canada Mortgage and Housing Corporation and the Department of Housing. Therefore, only the Department's 25% share of costs are reflected in these financial statements. Section 43 projects are owned by the Department, and are reflected at 100% of their costs.

Amortization of Public Housing

The capital cost of public housing projects is amortized over a period of fifty years. Amortization for the year ended March 31, 1987 was \$229,820 (\$203,491-1986).

Department owned rental properties are amortized over a period of twenty or twenty-five years. Amortization for the year ended March 31, 1987 was \$21,188 (\$19,306-1986).

In both cases, the amount of annual amortization will accelerate over the amortization period.

Investment in Land and Land Assembly

Land and land assembly projects are carried at cost of acquisition plus servicing costs, capitalized interest charges and administrative costs where applicable. If recovery is doubtful the unrecovered capital cost is reduced by the amount of estimated losses on disposal until the net capital cost reaches a minimal value of \$1.

Profit or loss on sale of land is recognized when the sale of the project is complete. Until then, land sales are carried as deferred revenue.

Operating Revenues and Expenditures

The Provincial share of operating expenditures related to capital programs is funded by the Department of Housing's legislative vote. Operating revenues consist primarily of interest revenue on loan programs and are credited to the revenues of the Province. Operating expenditures include administrative costs of the Fund, the Province's share of operating deficits on public housing projects and grants and assistance associated with capital and other programs. Details of operating revenues and expenditures are reported in the Province's Public Accounts.

4. Mortgages Receivable—Rural and Native Housing

No provision has been made in the financial statements for the Department's share of possible bad debt losses on the Rural and Native Program. Borrowers' payments under that program are substantially subsidized by Canada Mortgage and Housing Corporation and the Department of Housing. The Department's share of future payments from borrowers is not expected to be sufficient to meet the full principal balance presently outstanding. Based on past experience the Department estimates that \$6 to \$7 million of the present principal balance outstanding will be absorbed by way of subsidy charges over the life of the portfolio.

5. Contributed Surplus

Under the terms of the Canada/Nova Scotia Off-Shore Development Agreement \$4 million has been received by the Department of Finance and recorded as contributed surplus.

6. Contingent Liability

The Department of Housing has guaranteed two loans to the Wolfville Area Interchurch Housing Society.

	<u>Expiry Date</u>	<u>Maximum Loan Amount</u>	<u>Loan Balance March 31, 1987</u>
20 Housing Units	31/12/04	\$ 609,000	\$ 600,036
50 Housing Units	31/12/06	1,725,500	1,196,256
			<u>\$1,796,292</u>

**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
SCHEDULES SUPPORTING BALANCE SHEET
MARCH 31, 1987**

	1987	1986
SCHEDULE I: Accounts Receivable		
Canada Mortgage and Housing Corporation	\$ 767,350	\$ 4,304,807
Municipal Governments	594,572	232,600
Other	13,964	38,193
Provincial Government	—	71,276
	<u>\$ 1,375,886</u>	<u>\$ 4,646,876</u>
SCHEDULE II: Mortgages Receivable (by Program)		
Rural and Native Housing (Note 3)	\$12,295,127	\$12,433,075
Co-operative Housing	28,241,287	33,280,227
Provincial Housing		
Emergency Rehabilitation	214	655
Cape Breton Association for Housing Development	36,531	43,363
Canada-N.S. Home Insulation and Electric Conversion	964,366	3,193,552
Provincial Self-Help	21,039,669	24,494,080
Apartment Conversion	37,902	51,778
Small Loans Assistance	1,611,523	1,222,390
Lease Purchase Mortgage	3,308,529	3,980,791
New Home Mortgage	11,252,051	13,855,561
Interim Financing—Non-Profit Housing Co-operatives	87,634	53,000
Second Mortgages	2,382,202	—
Apartment Creation	120,205	—
Parent Apartment	12,368	—
	<u>\$81,389,608</u>	<u>\$92,608,472</u>
Less: Allowance for Doubtful Recoveries	169,085	180,504
	<u>\$81,220,523</u>	<u>\$92,427,968</u>

**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
SCHEDULES SUPPORTING BALANCE SHEET
MARCH 31, 1987**

	1987	1986
SCHEDULE III: Investment in Land and Housing Projects		
Public Housing—Section 40	\$ 52,510,598	\$ 50,858,142
Public Housing—Section 43	31,514,897	31,635,770
Housing for Rental Purposes	370,961	392,149
Lease Purchase Properties	11,691,548	11,664,474
	<u>\$ 96,088,004</u>	<u>\$ 94,550,535</u>
Land and Property Bank	12,181,073	10,621,030
Land Assembly	39,473,747	42,551,311
Other	32,330	1,782,207
	<u>51,687,150</u>	<u>54,954,548</u>
Less: Land Sales to Date on		
Projects in Progress	37,678,496	38,985,865
Unrecovered Costs	<u>14,008,654</u>	<u>15,968,683</u>
Department Owned Foreclosed		
Properties	580,511	387,089
	<u>110,677,169</u>	<u>110,906,307</u>
Less: Allowance for Doubtful		
Recoveries	3,185,405	5,150,273
	<u>\$107,491,764</u>	<u>\$105,756,034</u>

**SCHEDULE IV: Temporary Advances on Behalf of the
Housing Development Corporation**

Non-Profit Housing	\$ 2,522,073	\$ —
Family Benefits Housing	1,387,040	—
Metro Demonstration Project	127,755	—
Provincial Self-Help, 1986	1,784,317	—
Shell Housing	331,223	—
	<u>\$ 6,152,408</u>	<u>\$ —</u>

**PROVINCE OF NOVA SCOTIA
HOUSING DEVELOPMENT FUND
SCHEDULES SUPPORTING BALANCE SHEET
MARCH 31, 1987**

	1987	1986
SCHEDULE V: Accounts Payable		
Due to Canada Mortgage and Housing Corporation		
Rural and Native Housing	\$ 23,116	\$ 41,925
Public Housing	<u>561,510</u>	<u>537,634</u>
	<u>584,626</u>	<u>579,559</u>
Due to Others		
Lease Purchase Insurance	—	32,508
Public Housing	830,532	729,421
Land Assembly	238,133	184,817
Security and Land Deposits	142,705	141,332
Miscellaneous	<u>4,522</u>	<u>1,503</u>
	<u>1,215,892</u>	<u>1,089,581</u>
	<u>\$ 1,800,518</u>	<u>\$ 1,669,140</u>

SCHEDULE VI: Notes Payable

Canada Mortgage and Housing Corporation		
Public Housing-Section 43	\$ 28,346,476	\$ 28,457,229
Co-operative Housing	32,830,433	36,338,419
Land Assembly	<u>6,845,924</u>	<u>7,021,388</u>
	68,022,833	71,817,036
Department of Regional Economic Expansion	<u>95,365</u>	<u>101,562</u>
	<u>\$ 68,118,198</u>	<u>\$ 71,918,598</u>

**PROVINCE OF NOVA SCOTIA
NOVA SCOTIA HOUSING DEVELOPMENT CORPORATION
FINANCIAL STATEMENTS
MARCH 31, 1987**



**PROVINCE OF NOVA SCOTIA
NOVA SCOTIA HOUSING DEVELOPMENT CORPORATION
FINANCIAL STATEMENTS
MARCH 31, 1987**

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AUDITOR'S REPORT

To the Chairman and Members
of the Housing Development Board and to
the Minister of Housing

I have examined the balance sheet of the Housing Development Corporation as at March 31, 1987, and the statement of revenue and expense for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Housing Development Corporation as at March 31, 1987, and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

O.P. Cormier, F.C.A.
Auditor General

Halifax, Nova Scotia
September 29, 1987

**PROVINCE OF NOVA SCOTIA
NOVA SCOTIA HOUSING DEVELOPMENT CORPORATION
BALANCE SHEET
MARCH 31, 1987**

Assets

Mortgages Receivable (Note 5)	\$ 7,234,585
Fixed Assets — At Unamortized Costs (Note 6)	5,884,992
Other Assets (Note 4)	
Due from Nova Scotia Department of Finance	571,085
	<u>\$13,690,662</u>

Liabilities

Current Liabilities	
Accounts Payable (Public Non-Profit Housing)	\$ 30,049
Long Term Liabilities	
Notes Payable (Note 7)	7,232,765
Mortgages Payable (Note 8)	6,427,848
	<u>13,660,613</u>
	<u>\$13,690,662</u>

Approved By:

Minister of Housing

**PROVINCE OF NOVA SCOTIA
NOVA SCOTIA HOUSING DEVELOPMENT CORPORATION
STATEMENT OF REVENUE AND EXPENSE
FOR THE YEAR ENDED MARCH 31, 1987**

Interest Revenue

Self-Help Program	\$ 81,471
Family Benefits Program	1,413
Shell Housing Program	488
Public Non-Profit Housing Program	170,985
Halifax-Dartmouth Metro	
Area Demonstration Program Projects	1,652
Total Revenue	<u>\$256,009</u>

Interest Expense

Self-Help Program	\$ 81,463
Family Benefits Program	1,558
Shell Housing Program	436
Public Non-Profit Housing Program	170,600
Halifax-Dartmouth Metro	
Area Demonstration Program Projects	1,652
	<u>255,709</u>
Legal Fees	300
Total Expenses	<u>\$256,009</u>
Excess of Revenue over Expenses	<u>—</u>

**PROVINCE OF NOVA SCOTIA
NOVA SCOTIA HOUSING DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1987**

1. Authority

On June 17, 1986 the Nova Scotia Housing Development Corporation Act established the Nova Scotia Housing Development Corporation. The purpose of the Corporation is to provide long term mortgage financing through outside lenders for the Public Non-Profit Housing Program, and the home ownership programs of the Department of Housing, and loan guarantees for housing purposes.

2. Accounting Policies

Public Non-Profit Housing

Public Non-Profit Housing projects are carried at cost which includes the cost of site investigation, land, construction, administration and interest during construction.

Amortization of Public Non-Profit Housing

The capital cost of Public Non-Profit Housing projects is amortized over a period of thirty-five years. Amortization for the year ended March 31, 1987 was \$3,860.41. Amortization will accelerate over the amortization period.

3. Administration and Management

The administration and management of the Nova Scotia Housing Development Corporation is carried out by the staff of the Department of Housing. The Corporation will pay an administration fee to the Department to the extent that the administration fees earned by the Corporation exceed the expenses and net interest costs in any year.

4. Other Assets

To provide working capital for the Nova Scotia Housing Development Corporation, the Housing Development Corporation Fund was established by Order-In-Council. The Fund is set up as a revolving account which records all receipts and expenditures and allows the Corporation to borrow up to \$500,000.

At March 31, 1987 the Housing Development Corporation Fund owed the Housing Development Corporation \$571,085.

5. Mortgages Receivable

Interim financing for the Department of Housing's home ownership programs is provided by the Province, and the long term financing is provided by the Nova Scotia Housing Development Corporation. When loan repayment begins the Department assigns the mortgages to the Corporation. The Corporation assigns the mortgages to a private lender as security for a twenty-five year loan. The proceeds of the loan are given to the Province to repay the interim financing. The mortgages receivable at March 31, 1987, by program, are as follows:

Self-Help Housing	\$6,913,052
Family Benefits Housing	270,627
Shell Housing	50,906
	<u>\$7,234,585</u>

6. Fixed Assets

Interim financing for the Public Non-Profit Housing and The Halifax-Dartmouth Metro Area Demonstration Program projects is provided by the Province through the Department of Housing. When the projects are complete, title is deeded by the Department to the Corporation. The Corporation mortgages the project to a private lender as security for a thirty-five year loan. The proceeds of the loan are given to the Province to repay the interim financing. Fixed Assets by program at March 31, 1987 are as follows:

Public Non-Profit Housing	
Senior Citizens Units	\$2,403,475
Family Units	3,299,313
	<u>\$5,702,788</u>
Halifax-Dartmouth Metro	
Area Demonstration Program	
Projects	182,204
	<u>\$5,884,992</u>

7. Notes Payable

The long term financing of the Mortgages Receivable is secured by promissory notes, assignment of mortgages and a loan agreement. Interest only is payable on the advances up to the Interest Adjustment Date which is April 1, 1988. The amortization period is 25 years with a 10 year renewal at 11½% per annum. The Notes Payable at March 31, 1987, by program, are as follows:

Self-Help Housing	\$6,913,156
Family Benefits Housing	269,109
Shell Housing	50,500
	<u>\$7,232,765</u>

The loans received by the Nova Scotia Housing Development Corporation from approved lenders for the home ownership programs are insured under the Province's Mortgage Insurance Fund.

**PROVINCE OF NOVA SCOTIA
NOVA SCOTIA HOUSING DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1987**

8. Mortgages Payable

The long term financing of the Public Non-Profit, Halifax-Dartmouth Metro Area Demonstration Program Projects and the Family Benefits Rental Units is secured by thirty-five year first mortgages at 11½% per annum. The mortgages payable are repayable in monthly installments of \$55,186, including interest. The mortgages payable at March 31, 1987, by program, are as follows:

Public Non-Profit Housing	
Senior Citizens Units	\$2,416,997
Family Units	<u>3,348,291</u>
	5,765,288
Halifax-Dartmouth Metro	
Area Demonstration Program	
Projects	182,204
Family Benefits Rental Units	<u>480,356</u>
	<u>\$6,427,848</u>

In 1986 the Province entered into a new Federal/Provincial Operating Agreement on Social Housing. Under the new Operating Agreement, Canada Mortgage and Housing Corporation agrees to insure loans received by the Nova Scotia Housing Development Corporation from approved lenders for capital financing of Public Non-Profit Housing projects.

Department of Housing Regional Offices

